

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 0959-01  
Bill No.: HB 245  
Subject: Accountants; Economic Development; Professional Licenses  
Type: Original  
Date: January 30, 2001

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**FISCAL SUMMARY**

ESTIMATED NET EFFECT ON STATE FUNDS			
FUND AFFECTED	FY 2002	FY 2003	FY 2004
None	\$0	\$0	\$0
<b>Total Estimated Net Effect on <u>All</u> State Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2002	FY 2003	FY 2004
None	\$0	\$0	\$0
<b>Total Estimated Net Effect on <u>All</u> Federal Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2002	FY 2003	FY 2004
<b>Local Government</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

Numbers within parentheses: ( ) indicate costs or losses.  
This fiscal note contains 4 pages.

**FISCAL ANALYSIS**

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## ASSUMPTION

Officials from the **Office of the State Treasurer**, the **Office of the Attorney General**, the **Department of Corrections**, the **Office of Administration–Division of Accounting, Division of Budget and Planning**, and **Administrative Hearing Commission**; the **Office of the State Courts Administrator**; the **Coordinating Board for Higher Education**, and the **Department of Economic Development–Division of Professional Registration** assume the proposal would have no fiscal impact on their agencies.

The **Office of the Secretary of State** assumes this act will require the Missouri State Board of Accountancy to promulgate rules. Based on experience with other divisions, the rules, regulations and forms issued by the Missouri State Board of Accountancy could require as many as 68 pages in the Code of State Regulations. For any given rule, roughly half again as many pages are published in the Missouri Register in the Code because cost statements, fiscal notes and the like are not repeated in Code. These costs are estimated. The estimated cost of a page in the Missouri Register is \$23.00. The estimated cost of a page in the Code of State Regulations is \$27.00. The actual cost could be more or less than the numbers given. The impact of this legislation in future years is unknown and depends upon the frequency and length of rules filed, amended, rescinded or withdrawn.

**Oversight** assumes the SOS could absorb the costs of printing and distributing regulations related to this proposal. If multiple bills pass which require the printing and distribution of regulations at substantial costs, the SOS could request funding through the appropriation process. Any decisions to raise fees to defray costs would likely be made in subsequent fiscal years.

**Oversight** assumes there will be no fiscal impact to the **Department of Public Safety–Missouri State Highway Patrol**.

<u>FISCAL IMPACT - State Government</u>	FY 2002 (10 Mo.)	FY 2003	FY 2004
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
<u>FISCAL IMPACT - Local Government</u>	FY 2002 (10 Mo.)	FY 2003	FY 2004
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

### FISCAL IMPACT - Small Business

This proposal would be expected to have a direct fiscal impact on small business.

### DESCRIPTION

This bill repeals Chapter 326, RSMo, relating to Accountants and reenacts provisions to be known as the Missouri Accountancy Act.

The bill contains provisions relating to the Missouri State Board of Accountancy. The bill:

- (1) Specifies the makeup, powers, and duties of the board;
- (2) Establishes minimum education requirements for applicants;
- (3) Requires the use of a uniform examination for licensing purposes;
- (4) Creates a one-tier licensing structure, requiring applicants for licensure to provide proof of practical experience;
- (5) Establishes certain age and residential requirements;
- (6) Requires the board to design conditions for reexamination;
- (7) Sets continuing education requirements;
- (8) Creates an inactive status for licensees;
- (9) Allows the board to set fees;
- (10) Exempts from licensure persons certified prior to September 28, 1997;
- (11) Establishes reciprocity guidelines;
- (12) Sets conditions for renewal, suspension, revocation, or denial of individual licenses or accounting firm permits;
- (13) Prohibits persons or entities from holding themselves out as being CPA's or CPA firms without being duly licensed; and
- (14) Creates causes in which complaints may be filed against persons or firms with the Administrative Hearing Commission and also provides for remedies for aggrieved parties.

**DESCRIPTION (cont.)**

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

**SOURCES OF INFORMATION**

Office of the Secretary of State  
Office of Administration  
    Division of Accounting  
    Division of Budget and Planning  
    Administrative Hearing Commission  
Office of the State Courts Administrator  
Department of Economic Development  
    Division of Professional Registration  
Office of the State Treasurer  
Office of the Attorney General  
Department of Corrections  
Coordinating Board for Higher Education

**NOT RESPONDING**

Department of Public Safety  
    Missouri State Highway Patrol



Jeanne Jarrett, CPA  
Director  
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